## Congress of the United States Washington, DC 20515

April 24, 2006

Mr. Guy F. Caruso Administrator Energy Information Administration 1000 Independence Avenue, SW Washington, DC 20585

## Dear Administrator Caruso:

It has come to our attention that there are certain price differentials in domestic crude that do not follow the nationwide trend. Specifically, we are concerned about the price differential that exists for crude oil produced in Wyoming.

During the first week of March crude oil was trading over \$61 a barrel nationally, but the price for a barrel of Wyoming sweet crude was only \$36.75. Sour crude from Wyoming sold for just \$27.50 during that same week. This problem continues within our state.

We believe that the crude oil price differentials experienced by Wyoming's producers are a function of refinery capacity limits and maintenance schedules, the grade of crude oil produced, pipeline capacity constraints, and regional production growth. Additionally, we believe that the increase in oil imported from Canada is making it difficult for our producers to transport their oil through pipelines. We would appreciate an assessment of the situation. Why do the price differentials exist? What can the people of Wyoming expect to happen in the short term and in the future?

While the price of crude oil has dropped significantly in the region, the price of gasoline and other refined products has remained high. In addition to an analysis of crude price differentials, we would like to know why the price of gasoline has remained high at a time when the price of crude oil has fallen so low. While Wyoming's prices for refined gasoline are somewhat lower than the national average, the savings at the pump are not proportionate to the differential that exists for crude oil. Why is there not more savings to be had for gasoline as a result of lower crude oil prices?

We would appreciate your review and consideration of this request as soon as possible. Should you have any additional questions or concerns, please do not hesitate to contact us directly or instruct your staff to contact Colin Hayes (Sen. Thomas, 202.224.0806), Chris Tomassi (Sen. Enzi, 202.224.1935) or Rick Axthelm (Rep. Cubin, 202.225.2311).

Best Regards,

CRAIG THOMAS
United States Senator

MIKE ENZI United States Senator BARBARA CUBIN Member of Congress